

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO**

In re:
THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et al.*,

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

(Jointly Administered)

This filing relates to HTA.

**REPLY OF THE PUERTO RICO HIGHWAYS AND
TRANSPORTATION AUTHORITY TO RESPONSE FILED BY
CLAIMANT EDWIN B. EMERY, JR., TRUSTEE [ECF NO. 7772] TO THIRTY-FIFTH
OMNIBUS OBJECTION (NON-SUBSTANTIVE) TO DUPLICATE BOND CLAIMS**

To the Honorable United States District Judge Laura Taylor Swain:

The Puerto Rico Highways and Transportation Authority (“HTA”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the representative of HTA pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”),² files this reply (the “Reply”) to the response [ECF No. 7772] (the “Response”), filed by claimant Edwin B. Emery, Jr., Trustee of the Bonnie L. Bankert Revocable Trust (the “Claimant”), to the *Thirty-Fifth Omnibus Objection (Non-Substantive) of the*

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (the “Commonwealth”) (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA” and together with the Commonwealth, COFINA, HTA, and ERS, the “Debtors”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747) (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

² PROMESA is codified at 48 U.S.C. §§ 2101–2241.

Puerto Rico Highways and Transportation Authority to Duplicate Bond Claims [ECF No. 7243] (the “Thirty-Fifth Omnibus Objection”). In support of this Reply, HTA respectfully represents as follows:

1. On June 6, 2019, the HTA filed the Thirty-Fifth Omnibus Objection seeking to disallow certain proofs of claim because they are duplicates of one or more master proofs of claim filed in the HTA Title III Case (collectively, the “Duplicate Claims”), each as listed on Exhibit A thereto. As set forth in the Thirty-Fifth Omnibus Objection and supporting exhibits thereto, each of the Duplicate Claims asserts liabilities associated with one or more bonds issued by HTA that are duplicative of one or more master proofs of claim which were filed in the HTA Title III Case by The Bank of New York Mellon (“BNYM”), as fiscal agent for certain bonds issued by HTA, and logged by Prime Clerk as Proof of Claim No. 38574 (the “BNYM Master Proof of Claim”), or by Banco Popular de Puerto Rico (“Banco Popular”), as trustee of certain bonds issued by HTA, and logged by Prime Clerk as Proof of Claim No. 22624 (the “Banco Popular Proof of Claim”).

2. Any party who disputed the Thirty-Fifth Omnibus Objection was required to file a response by 4:00 p.m. (Atlantic Standard Time) on July 9, 2019, in accordance with the Court-approved notice attached to the Thirty-Fifth Omnibus Objection as Exhibit C, which was served in English and Spanish on the individual creditors subject to the Thirty-Fifth Omnibus Objection, the U.S. Trustee, and the Master Service List (as defined in the *Order Further Amending Case Management Procedures* [ECF No. 7115]). *See Certificate of Service* [ECF No. 7382].

3. On July 9, 2019, Claimant filed the Response. Therein, Claimant does not dispute that Claimant’s proof of claim filed against HTA on April 16, 2018, and logged by Prime Clerk as Proof of Claim No. 7376 (the “Claim”), is duplicative of one or more master proofs of claims filed in the HTA Title III Case. Rather, Claimant asserts that the bonds were “purchased as investment

bonds in good faith based on the promise of the Puerto Rico government,” but “these promises were broken.” Resp. at 1.

4. The Response further provided documentation regarding bonds issued by HTA bearing CUSIP number 7451902T4. That CUSIP number appears on the BNYM Master Proof of Claim. Accordingly, the Claim does, in fact, assert liabilities associated with a bond issued by HTA and is duplicative of a master proof of claim. The Response therefore does not refute HTA’s showing that the Claim is duplicative, and HTA respectfully requests that the Court grant the Thirty-Fifth Omnibus Objection and disallow the Claim in its entirety.

Dated: July 17, 2019
San Juan, Puerto Rico

Respectfully submitted,

/s/ Ricardo Burgos Vargas

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